



Fifteenth South Asia Economic Summit (SAES XV) Unleashing an equitable green transformation in South Asia

Kathmandu | 11-13 December 2024

Parallel session: Resilience and agility of MSMEs and inclusive businesses

Date: 12 December 2024 Time: 16:00-17:45

The global COVID-19 pandemic severely affected businesses alongside lives and livelihood. While micro, small and medium enterprises (MSMEs) were hard hit, businesses led by women and marginalized communities were disproportionately affected due to their preexisting socio-economic status and the unequal playing field they face. Such is the case every time there occurs any disruption in the supply chain—due to natural disasters or any crises.

The Asian Development Bank's *Asia Small and Medium-sized Enterprise Monitor 2021* highlights that MSMEs in South Asia accounted for an average 99.6% of all enterprises, 76.6% of the workforce, and 33.9% of national GDP. Therefore, it is key to revitalize MSMEs, including cottage firms, to build a resilient economic recovery in the region.

MSMEs are known for creating jobs and are also critical for inclusive growth. In times of crises and disasters, including climate-induced ones, it is critical to boost their resilience to shocks for which concerted efforts from governments, development agencies and national stakeholders are required to build resilient economies and communities. In the long run, beyond building resilience, promoting agility and fostering inclusive business policies and practices will enable MSMEs to thrive, grow and compete in the market, both locally and globally.

This session seeks to understand the state of play in South Asia on the resilience and agility of MSMEs including those led by women and marginalized/minority communities, focusing on the role of various stakeholders in shaping an equitable, inclusive business eco-system through the following questions:

- How resilient and agile are MSMEs and what are the challenges they face when mitigating risks, including climate-induced disasters?
- Who are the major actors in addressing risks induced by disasters and crises, how do they engage with MSMEs and what have been the achievements and failures?
- How can MSMEs be better equipped to address crises and disasters to enable them to survive, sustain and grow in the market?
- What are some of the good practices in promoting agile and resilient business in the region worth sharing and emulating?
- What kind of policy frameworks are in place or need to be in place for MSMEs to compete in the global market and be agile to face future shocks and become resilient?